

back pay was granted under the same conditions, in the amount of P5,520,920.64. Payment of the two months' back-pay will probably begin on October 15.

The President on the recommendation of the Under-Secretary of Foreign Affairs and with the concurrence of the Cabinet authorizes the Surplus Property Commission to extend credit to the Republic of Indonesia for the purchase of certain surplus goods from the Commission. Recently the Indonesian application was withdrawn because of certain requirements of the Commission, and these will now be relaxed, the President being desirous of strengthening Philippine-Indonesian relations.

The Office of Public Information, Malacañan, announces that the organization has been completed for a daily 30-minute broadcast at 10 a.m. of news of the day, at dictation-speed, over the government radio station, DZFM. Under supervision of the Radio Control Board, battery receiving sets have been distributed to remote communities and certain officials have been designated to transcribe and post the transcriptions on bulletin boards in public places. The Department of Education is also encouraging schools in such localities to acquire receiving sets so that they may also make use of these broadcasts.

Sept. 28—The Department of Foreign Affairs announces that the Philippines will open its first consular mission in Indonesia about the middle of October with Vicente Pastrana as consul and Marciano Joven as vice-consul with headquarters in Batavia, the Netherlands Government having accorded these men provisional recognition.

The Department of Foreign Affairs announces that the Korean Government has made an offer to sell apples to the Philippines either for cash or on a barter basis, Korea hoping for timber, coconut oil, and rope in exchange. The apples range in price from \$4 to \$7 a box of 150, weighing 42 pounds.

Banking and Finance

BY C. V. GRANT

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COMPARATIVE figures of assets and liabilities of the Central Bank follow:

(in thousands of Pesos)

	As of Jan. 31	As of July 30	As of Aug. 31
ASSETS			
International Reserve	P714,969	P573,031	* P569,809
Contribution to International Monetary Fund	30,000	30,000	30,000
Account to Secure Coinage	113,106	113,306	113,306
Loans and Advances	—	—	10,000
Domestic Securities	—	10,354	18,287
Due from Treasurer of Philippines	—	—	12,569
Other Assets	19,320	23,627	24,090
	P877,395	P750,318	P778,061
LIABILITIES			
Currency: Notes	P621,521	P505,179	P502,949
Coins	73,035	74,112	73,935
Demand Deposits: Pesos	169,351	116,269	145,048
Dollars	—	11,637*	11,700*
Securities Stabilization Fund	2,000	2,000	2,000
Due to Int'l Monetary Fund	—	22,499	22,499
Due to Int'l Bank for Reconstruction and Development	—	2,392	2,392
Other Liabilities	1,488	2,262	3,092
Capital	10,000	10,000	10,000
Undivided Profits	—	3,968	4,446
	P877,395	P750,318	P778,061

* Note: The Demand Deposit liabilities in U.S. Dollars are deposits of the Treasurer of the Philippines which are temporarily being kept in foreign currency. These amounts are included on the asset side as part of the International Reserve.

The figure for the International Reserve of the nation as released in the August 31st report of the Central Bank showed little change from the previous

month, the reserves having decreased only \$1,600,000. Substantial amounts of dollars received from the U.S. Treasury to cover war-damage payments off-set most of the excess dollar disbursements made to cover the continuing unfavorable trade balance.

The Central Bank has released the following statistics which had been compiled from the records of the Bureau of the Treasury and the Accounting Department of the Central Bank:

MONEY SUPPLY*

End of Month	Notes and Coins in Circulation	Deposits of Demand Depositors	Manager's Checks, etc.	Deposits of National Treasurer	Savings Deposits	Other Time Deposits
1948						
January	851	442	6	999	46	219
February	541	454	6	1,001	30	221
March	439	485	7	1,031	25	220
April	642	472	6	1,020	63	219
May	618	446	6	969	84	218
June	526	493	7	1,126	67	221
July	521	640	6	1,167	11	225
August	433	607	6	1,156	62	226
September	640	666	6	1,112	74	230
October	665	611	5	1,171	43	230
November	568	621	6	1,185	45	228
December	576	607	11	1,194	22	227
1949						
January	572	617	7	1,196	16	236
February	571	589	6	1,166	16	236
March	570	566	7	1,133	17	236
April	568	568	6	1,163	17	236
May	652	549	6	1,197	16	237
June	636	546	6	1,087	20	239
July (tentative)	627	522	5	1,054	19	240

* Money supply consists of currency issued minus cash in banks; plus the peso demand deposit liabilities of banks, excluding the national government deposits and inter-bank deposits, but including unused overdraft lines.

The announcement of the depreciation of sterling received here early in the morning of September 19 had little immediate effect on the local business and financial communities. However, as a result of the 30% depreciation in sterling currencies, the products of the soft-currency areas should be in a considerably better competitive position vis-a-vis "dollar area" merchandise. On the other hand, it will become more costly for sterling area countries to purchase with their depreciated currencies products of the dollar areas.

The new rates for the various currencies re-valued as a result of the devaluation of the pound sterling follow:

Australia — pound	\$2.24
Belgium — franc	.02
Burma — rupee	.21
Canada — dollar	\$.91
Ceylon — rupee	.21
Denmark — kroner	1.450
Egypt — pound	2.87
Finland — mark	.00431
France — franc	.00285
Greece — drachma	.000066
Hongkong — dollar	.1750
Iceland — kronur	.106
India — rupee	.21
Indonesia — guilder	.2635
Iraq — dinar	2.80
Ireland — pound	2.80
Italy — lira	.0016
Luxembourg — franc	.02
Malaya — Straits-dollar	.3250
Netherlands — guilder	.2635
New Zealand — pound	2.80
Norway — kroner	.14
Portugal — escudo	354965
South Africa — pound	2.80
Sweden — kronor	193776
United Kingdom — pound	2.80

For prime business the banks are quoting Telegraphic Transfer 201.25 selling and 200.625 buying for spot exchange.